

### HOLISTIC PATRON SERVICE:

#### USING CUSTOMER RELATIONSHIP MANAGEMENT TO IMPROVE LOYALTY

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### THERE ARE TWO WAYS TO MAKE MONEY:

1. More money from the people who already give you money (ticket buyers and donors)
2. New people to give you money.

#### **#1 ONE IS EASIER.**

Do not maintain separate databases for marketing and development. Marketing and development should be managed together, along with your ticketing function. The patron does not make a distinction. Get your database unified! Then convert your one-time donor into a consistent donor; convert the \$250 donor to a \$25,000 donor. Reach out and establish personal, deeper relationships with donors and patrons.

To do this you must focus on your customer, improve your knowledge of them, use that knowledge to customize service to them and move that customer along the value chain from information seeker to first time ticket buyer to regular patron to subscriber or member to donor to repeat donor to planned estate giving.

Customer relationship management (CRM) should be part of your organization's strategic vision. Ten years ago all we talked about was the art. To achieve a high level of CRM you must have knowledge of your customer. Do surveys and use research. Do database analysis (mine your existing data) and begin to segment your audience.

You might learn that 40% of your patrons are providing 60% of the revenue. Focus on that 60%. They are loyal. Who are they? What do these loyal customers want?

With your new and deeper knowledge of your audience, craft a direct mail campaign shaped to this knowledge. The direct mail piece you send to one segment might be quite different than the direct mail piece you send to another. Why be satisfied with a single glossy, multi-page season brochure that goes to everyone with only a 1 to 2% return? What a waste! Target several different pieces to several different segments, save money and watch your response rate go up.

Activities with preferred patrons

Focus on retention and then growth. Plan 6 to 8 contacts per year.

Thank them regularly

Share information with them

Predict behavior and focus on those who are not meeting predicted purchase levels. Ramp up your sales efforts with them until you get predicted response; if you don't get it, they are not preferred patrons, so drop them from that category.

Share information about preferred patrons with your call center. It works.

Good knowledge of your patrons is a selling point for sponsors. They want to know that you know your customers. Another thing about sponsors: in the past they wanted brand recognition (marketing) by association with you. Now they want your customers. So the more you know about them, the more appealing you are to a potential sponsor.